5 February 1965

DCI BRIEFING

FOR THE HOUSE APPROPRIATIONS COMMITTEE

ARGENTINA

- I. The forthcoming 14 March elections to renew onehalf of the national Chamber of Deputies will increase political unrest during the next month.
 - A. Anti-Peronists will be concerned over possible Peronist gains, while the badly-split Peronist-oriented parties are still debating possible alliances.
 - B. The Peron-directed "Justicialist Party" last month received legal recognition and permission to present candidates in the Federal Capital.
 - C. Various neo-Peronist parties are joining forces, some with non-Peronist parties.
 - D. The government party expects to lose some seats to Peronists, but does not expect them to gain control of the Chamber.
- II. Hard-line Peronists, whose prestige has dropped steadily since the 1963 elections, are split: some are threatening subversive action, while others argue over which party to use for their candidates.

- A. Even Peron's statements sent from Madrid reflect the same ambivalence regarding subversive or peaceful participation.
- B. Peron's abortive return via Brazil from exile in Spain has increased division and confusion in the Peronist movement and encouraged those advocating "Peronism without Peron".

 Spain has exacted a promise from Peron to refrain from all political activity, but he is said to be restive under his restrictions and may be considering a move to another country.
- III. The neo-Peronists, who did not obey Peron's blank vote order in July 1963, or support his return campaign, have formed a national confederation for the elections.
- IV. While the top military leaders firmly support constitutional government, retired General Enrique Rauch is confusing the situation by his strong criticism of the government and appeal to otherwise quiescent critics of the government.
 - A. The impact of his propaganda will bear close watching in view of existing hostility among some military officers to the government's

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- policy of "tolerance" toward the Peronists, and in particular their year-long agitation campaign.
- B. There may still be strong opposition among certain military leaders to official recognition of some Peronist-oriented parties.